

UTILITIES SERVICE BOARD MEETING

October 3, 2005

UTILITIES SERVICE BOARD MEETINGS ARE RECORDED ELECTRONICALLY OR STENOGRAPHICALLY AND ARE AVAILABLE DURING REGULAR BUSINESS HOURS IN THE OFFICE OF THE DIRECTOR OF UTILITIES.

Board President Swafford called the regular meeting of the Utilities Service Board to order at 5:02 p.m. The meeting was held in Conference Room 100B at the Indiana University Research Park at 501 North Morton Street in Bloomington, Indiana.

Board members present: Tom Swafford, Richard Eherenman, Sam Vaught, John Whitehart, Tim Mayer and Tom Micuda. Staff members present: Patrick Murphy, John Langley, Tom Staley, Steve Saulter, Mike Bengtson, Paige Freitag and Jane Fleig. Others present: Margaret Fette representing the Libertarian Party, Ben Beard representing Gentry Estates and Mark Menefee representing Indiana University Utilities.

MINUTES OF PREVIOUS MEETING:

BOARD MEMBER EHERENMAN MOVED AND BOARD MEMBER VAUGHT SECONDED THE MOTION TO APPROVE THE MINUTES OF THE SEPTEMBER 19, 2005, MEETING AS PRESENTED. MOTION CARRIED. 4 AYES. 3 MEMBERS ABSENT (TOLEN, EHMAN AND HENKE)

Board Member Tolen arrived at this time.

CLAIMS:

In regard to claim number 0592406 Board Member Vaught asked if the insurance settlement for the fire damages had taken place. Utilities Director Murphy replied that it is still being worked out. A settlement has been offered that Risk Management felt was inadequate.

Board Member Henke arrived at this time.

There was some discussion as to whether the early pay off for the purchase of the Russell Road Water Utility (Claims numbers 0591413 and 0591414) was appropriate. Board Member Henke questioned whether the recipients had the right to demand an early pay off. Assistant Director of Finance Saulter replied that Attorney Vickie Renfrow had said that it could go either way. Board President Swafford asked that those claims be tabled to go before the Finance Subcommittee.

BOARD MEMBER EHRENMAN MOVED AND BOARD MEMBER VAUGHT SECONDED THE MOTION TO APPROVE THE CLAIMS AS FOLLOWS:

CLAIMS 0590112 THROUGH 0591414 INCLUDING \$136,524.31 FROM THE WATER OPERATIONS & MAINTENANCE FUND AND \$103,863.17 FROM THE WATER CONSTRUCTION FUND FOR A TOTAL OF \$240,387.48 FROM THE WATER UTILITY; CLAIMS 0530842 THROUGH 0530883 FOR A TOTAL OF \$119,505.10 FROM THE WASTEWATER UTILITY; AND CLAIM 0570112 FOR A TOTAL OF \$4,283.35 FROM THE WASTEWATER/ STORMWATER UTILITY.

TOTAL CLAIMS APPROVED – \$364,175.93. MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT (EHMAN).

AUTO-PAY & TRANSFERS FOR THE MONTH OF AUGUST 2005.

VAUGHT MOVED AND WHIKEHART SECONDED THE MOTION TO APPROVE THE AUTO-PAY & TRANSFERS FOR THE MONTH OF AUGUST 2005 IN THE AMOUNT OF \$533,498.31. MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT (EHMAN).

APPROVAL AND EXECUTION OF UTILITIES' AGREEMENT FOR BANKING SERVICES WITH IRWIN UNION BANK

Paige Freitag, representing the Legal Department, reported that City of Bloomington Utilities had recently asked for Requests for Proposals for Banking Services. The preferred proposal came from Irwin Union Bank. Ms. Freitag said that the Civil City has been banking with Irwin Union for some time now and has been pleased with their services. At this time City of Bloomington Utilities would like to move their accounts from Monroe Bank to Irwin Union Bank.

Board President Swafford asked if the Legal Department was pleased with the proposal from Irwin Union. Ms. Freitag replied that the decision was made mostly by City of Bloomington Utilities' employees.

Assistant Director of Finance Saulter said that the main criterion for the decision was customer service. The Civil City reported that Irwin Union's customer service is very good, and they offer better support documentation than Monroe Bank did. Both banks offered a Courier Service.

Board Member Vaught asked what effect this move would have on rate payers.

Assistant Director of Finance Saulter responded that customers would still be able to pay their utility bills at the bank. It would just be a move of several blocks.

Board Member Henke expressed concern that Irwin Union only has one branch, where as Monroe Bank had many. He said that he felt that this decision should go before the Finance Committee first.

Board Member Tolen asked if there had been problems getting documentation from Monroe Bank. Assistant Director of Finance Saulter replied that there had been problems.

Board Member Vaught questioned whether this move would make things more difficult for customers since Irwin Union has a smaller presence in the community.

Mr. Saulter said that most people make payments at the downtown branch of the bank. There are about 50 to 60 people who make their payments at the bank each month. Of that group 75 to 80 % of them use the downtown branch.

BOARD MEMBER HENKE MOVED AND BOARD MEMBER VAUGHT SECONDED A MOTION TO SEND THIS REQUEST TO THE FINANCE SUBCOMMITTEE. MOTION DEFEATED. 2 AYES (HENKE AND VAUGHT), 4 NAYS. 1 MEMBER ABSENT, (EHMAN)

BOARD MEMBER WHIKHART MOVED AND BOARD MEMBER EHERENMAN SECONDED THE MOTION TO APPROVE THE EXECUTION OF UTILITIES' AGREEMENT FOR BANKING SERVICES WITH IRWIN UNION BANK. MOTION CARRIED. 5 AYES, 1 NAY (HENKE). 1 MEMBER ABSENT, (EHMAN).

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

No new business was presented.

SUBCOMMITTEE REPORTS:

Board President Swafford reported that there had been a combined meeting of the Finance and Engineering Subcommittees. The architectural firms of Schmidt Associates, Veazy, Parrott, Durkin and Shoulders and Tabor and Bruce presented concept drawings of the new Utilities Administrative Building to the subcommittees. A final decision will be made at the Utilities Service Board meeting on October 17, 2005.

STAFF REPORTS:

Utilities Director Murphy reported that he had taken the Citizen's Academy class on a tour of the Dillman Road Waste Water Treatment Plant on September 29th. Thirty people were in attendance.

PETITIONS AND COMMUNICATIONS:

Board member Eherenman mentioned that T & D had been mowing around the Lake Griffy Treatment Plant, and it was looking much better.

ADJOURNMENT:

The meeting was adjourned at 5:30 p.m.

L. Thomas Swafford, President